

ESCROW AGENT AGREEMENT
(For Public Deposits Collateralized Under Dedicated Method)

This Agreement made and executed this the _____ day of _____, _____, by and between _____ (the "Depository"), either the State Treasurer of North Carolina or the finance officer of _____ (the "Public Depositor"), and _____ (the "Escrow Agent").

WHEREAS, the Depository is required by North Carolina General Statutes to collateralize the uninsured public deposits of the Public Depositor, and has elected or is required to do so through the dedicated method as specified in Title 20, Chapter 7 of the North Carolina Administrative Code (20 NCAC 7); and

WHEREAS, the Public Depositor and the Depository have both executed a "Security Agreement"; and

WHEREAS, the Escrow Agent qualifies to serve as an escrow agent:

NOW THEREFORE: it is mutually agreed between the parties as follows:

1. All pledging arrangements shall be in accordance with and subject to the provisions of 20 NCAC 7, be subject to the referenced "Security Agreement," and be subject to the North Carolina Uniform Commercial Code.
2. The Escrow Agent will, as agent for the Public Depositor, hold perfected collateral securities of the Depository in the name of and for the account of the Public Depositor, providing the Public Depositor with written notice of the pledge of the securities.
3. The Escrow Agent will not release any collateral securities or proceeds of maturing securities, nor accept any substitution thereof, without written authorization from the Public Depositor.
4. Unless notified of the event of default of the Depository as provided for herein, all normal income and principal distributions shall be paid to the Depository.
5. Upon receipt of written notice from the State Treasurer of North Carolina (the "State Treasurer") of the event of a default pursuant to 20 NCAC 7, the Escrow Agent shall deliver to the State Treasurer, for the benefit of the Public Depositor, the collateral securities, and in addition, any principal or income distributions not yet paid to the Depository.
6. Except as otherwise provided herein, the Escrow Agent may accept and act upon instructions from the Depository, the Public Depositor, or the State Treasurer which the Escrow Agent believes to be genuine, given in person, by telephone, or by other means of communication. Correspondence deemed to be genuine which is delivered by fax transmittal may satisfy any requirement of a written notice or authorization.
7. This Agreement is continuing and binding upon the parties and their respective successors and assigns.
8. All notices pursuant to this Agreement shall be made to the following addresses:

Public Depositor: _____

Escrow Agent: _____

Depository: _____

IN WITNESS THEREOF, said parties have executed this Agreement in triplicate originals, one of which is retained by each of the parties.

ACCEPTED:

_____ Escrow Agent	_____ Depository
By: _____ Authorized Signature	By: _____ Authorized Signature
_____ Public Depositor	
By _____ Authorized Signature	